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HOW TO

Build an intranet business case
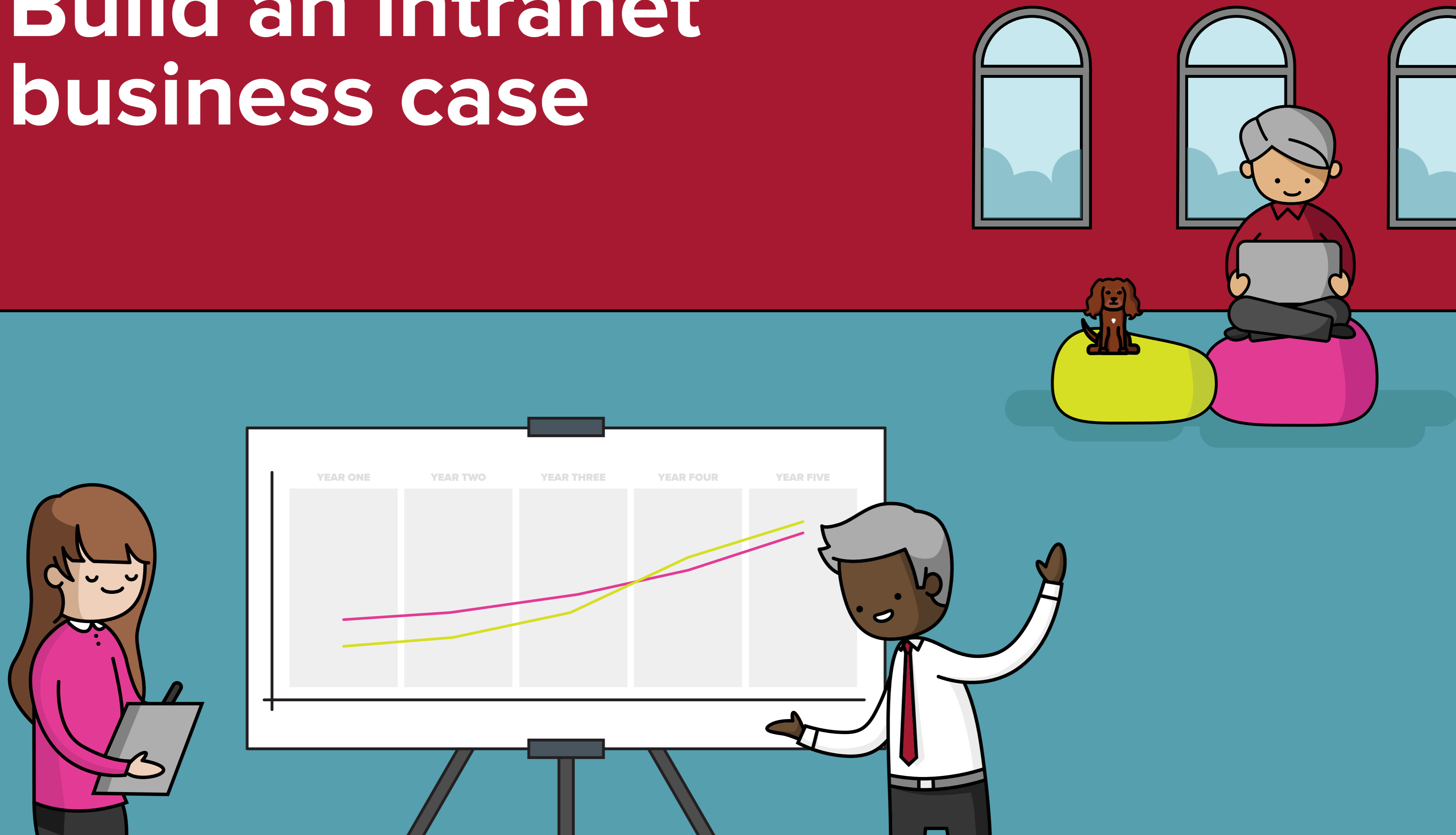
The legal stuff.

DATE	VERSION NUMBER
May 4, 2023	1.0

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Introduction

The central question when building an intranet business case is, "Will the benefits of our future intranet outweigh the costs of building, supporting and evolving it?" With only two factors in this equation, it should be straightforward, but there's a lot that goes into calculating costs and benefits.

Benefits include more than monetary return. They depend on what your stakeholders care about, which may have changed significantly over the last 10 years as the needs of communicators, intranet stakeholders and the employee audiences they serve have evolved. You'll need to craft compelling stories that bring the benefits of a new intranet to life.

Costs have also changed over time. The rapid move to the cloud and the competitive landscape of intranet software are just two of many aspects to consider when building your intranet business case.

In this guide, you'll learn how to uncover and document the benefits and costs of an intranet for your organization. We'll explore:

- How intranets are purchased
- Ways to calculate value and financial return
- Expected benefits you can leverage in your business case
- Typical costs and savings

Finally, we'll walk you through the steps to create an intranet business case. You'll learn how to build your intranet vision, share it with others, and back it up with data and stories.
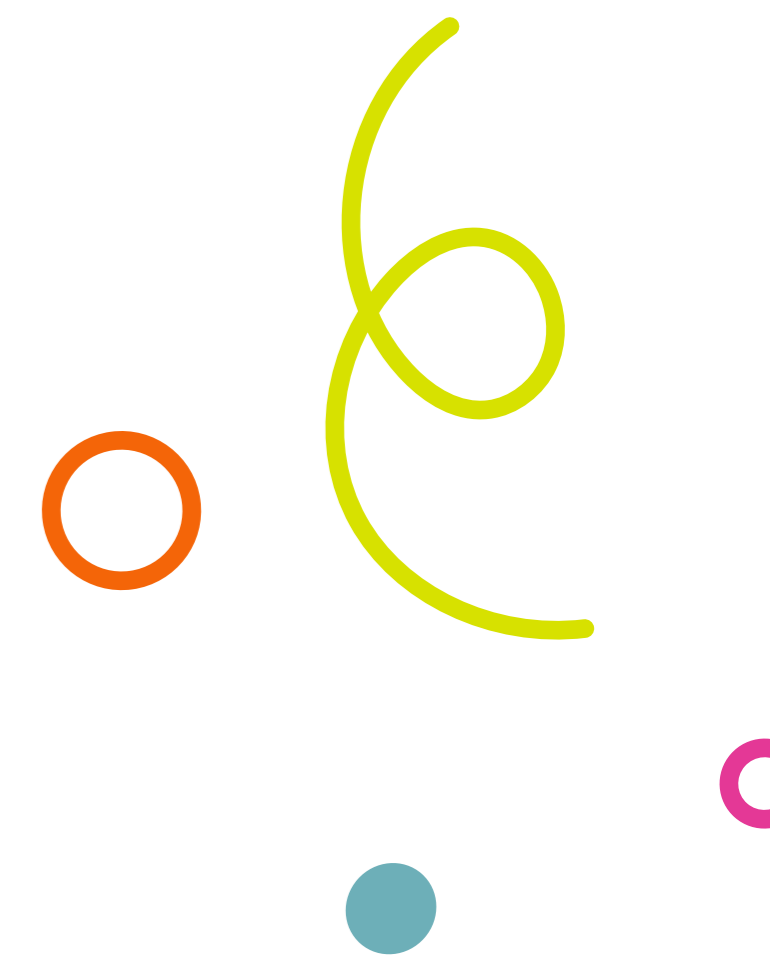
Buy vs. build: Understand your intranet options

Why intranet managers are choosing to build from intranet products or
digital workplace platforms.

It's common for intranets today to cost a fraction of what they did 10 years ago. They're also much quicker to implement.

Why is this?

For starters, most companies will no longer build an intranet from scratch. Gone are the days of complex custom intranets and protracted intranet projects. While companies used to shop for consultants who could custom-design and develop an intranet, now they're looking for ready-made intranet platforms. More often than not, they want a product rather than an implementation partner.

When it comes to products, there are now plentiful options in a market that was once a blank canvas. Whether you call your future tool an "employee experience platform," a "digital workplace portal," or you've stuck with the term "intranet," you'll likely run into the following options to kick-start whatever you end up building:

- Cloud-based productivity platforms (e.g., Microsoft 365, SalesForce, Google), which you're probably already paying for
- Intranet products, such as our own GO Intranet for modern SharePoint
- Employee engagement platforms like Microsoft Viva (Viva Connections, Viva Insights, Viva Amplify and Viva Engage)
- Communication-specific apps
- System-integration capabilities (such as those offered by Microsoft's Viva Connections dashboard that includes ACE cards provided by third-party platform vendors, including ServiceNow)

As you begin exploring these options, consider the following:

- **Scope:** What's the scope of a new intranet? For example, will you focus on communications, employee experience, knowledge, community, work tools, or integrations? Or are you looking for one portal to contain them all?
- **Current state:** Are you replacing a previous intranet and migrating content?
- **Implementation:** Will you be staging the implementation? For example, you could start with a comms portal and then upgrade your knowledge bases later.
- **Users:** Are your users pan-organizational, or will your intranet serve only office workers, field workers or another slice of the organization?
- **Other tools:** How do your employees use tools such as Google Workspaces, Slack or Microsoft Teams to communicate? Will you be competing, complementing or integrating those options?

Your decisions within the above areas will impact your business case. While it may be difficult to thoroughly architect your future intranet before your business case is approved, you should still draft a target scenario. This will allow you to document the costs, savings and benefits unique to your situation.

Consider the architectural costs for these scenarios:

	Licensing	Implementation	Support	Maintenance
Scenario 1 Building on an existing platform	Can you use existing licensing from a platform (e.g., Microsoft 365 licensees)? Do you have licensing for all your employees on this platform? Will you need additional licensing to use intranet or communication features? Does the existing platform offer accelerators or tools to build from, or will you need to buy these?	What effort will be required for implementation? Consider design, information architecture, configuration, custom development and security. What extra costs, capabilities, integrations or features will you need to buy or build? Examples include authoring tools, search enhancements, backup and analytics.	Will building on this platform increase support costs, or can you take advantage of existing support?	What will it cost to stay on top of changes to the platform, like deployments, upgrades and testing or patching?
Scenario 2 Building on an intranet product or using an intranet accelerator	What ballpark licensing should you consider?	What are the migration costs of choosing a particular platform? For example, moving from SharePoint on-premises to SharePoint Online may be less effort than migrating to a completely different platform. Are implementation services (design, information architecture, configuration or custom development) included, or will you need to consider them separately?	What new support costs should you account for? One benefit of the cloud is reduced support and maintenance costs for servers and infrastructure.	Will your team need to perform regular maintenance and upgrades, or will they be included?
Scenario 3 Building on-premises	Are you using a licensed product for an on-premises implementation? If so, are there extra costs for intranet features or a broader audience?	What research, design and custom work will we need to build and who will be doing that work?	What will updates, support and maintenance cost if your solution is hosted on-premises? Will you need to consider internal operational costs for servers, support, patches and upgrades?	How will an on-premises solution evolve with the organization and continue to present new features and capabilities?

Going solo, or partnering with IT

In the early cloud days, there was a trend in some organizations for departments such as HR and operations to skip IT and purchase directly from third-party vendors. This trend has significantly decreased. Now an early partnership with IT is an important part of securing stakeholder approval in most organizations.

At a minimum, IT will want to understand:

- If they'll be able to use their existing security and data loss prevention tools to secure data and information.

- The overlaps (and future integrations) with their approved current technology platforms.

- If they're already licensed for something similar.

- If a new system will comply with their approach to managing personal information — especially that of employees and customers.

- If they'll be able to use their existing identity and single-sign-on approach.

- Where (in what country) the services and/or data will be hosted.

- The long-term impacts, if any, to IT support and/or IT resources.

You may also want to start gathering resources that can help you and your company's solution architects choose the path that makes sense for your organization. Before you begin an RFI or RFQ process, have a look at some intranet reports, like the yearly guides from Clearbox, Gartner or Forrester.

Business case format and requirements

What you should know about your own organization's business case process before you start including considerations for capital project expenditures.

Before you begin gathering potential costs and benefits, get to know the approval process within your organization. There may be multiple pathways for approval, depending on the scope of change, cost of implementation and criticality of the solution to the organization's current strategy.

Start by asking questions

Dig into these foundational questions to discover what you'll need to get your business case approved.

Who are the stakeholders involved in the purchase?

Whose budget would likely cover the costs?

Which operational budgets will change because of the purchase?

Will you need to co-present the business case with other departments, such as operations, HR or IT?

Will your project be considered a capital expenditure? (More on this below.)

Is there an annual executive evaluation that will compare the opportunity to other possible spending options?

Who are the stakeholders at each of these funding stages?

What does the organization need to consider for approval?

Do you need to follow a specific template?

Are there stage gates to approval, and what are the thresholds of cost and/or benefit that drive the rigour of each approval?

Do expenditures need to align with specific organizational strategic goals or objectives?

Are the research, design or implementation phases of a project treated differently in the approval process?

Will your intranet be considered a capital project?

Historically, intranet projects have been considered capital expenditures, where the "asset" of the intranet and the expected benefits of what it provides are paid back over multiple years. With this approach, the business case of the costs and benefits uses an amortization model, likely spanning three to five years.

Companies liked this model because of how a capital purchase shows up on the organization's balance sheet. Annual operational costs are kept low and special projects are uniquely considered and implemented through an approved capital expenditure, in which cost is amortized over the expected life of the benefit.

For capital project approvals, your business case will likely use a net present value (NPV). Embedded in NPV is the notion that cash will become increasingly valuable (i.e., you could invest it somewhere and make a profit). This means you'll need to prove not only net positive benefits, but also demonstrate that, over time, the benefits will outweigh the improving value of cash.

If your organization considers your next intranet a capital expenditure (likely based on a spending threshold), you should familiarize yourself with terms such as TCO (total cost of ownership) and NPV (net present value). It will also be important to understand what payback period your approval stakeholders would likely use. Do you consider costs and benefits across a three, five or ten-year period? This model doesn't alter the way you understand costs and benefits, but it may change the way you calculate and report them.

YEAR ONE   YEAR TWO   YEAR THREE   YEAR FOUR   YEAR FIVE
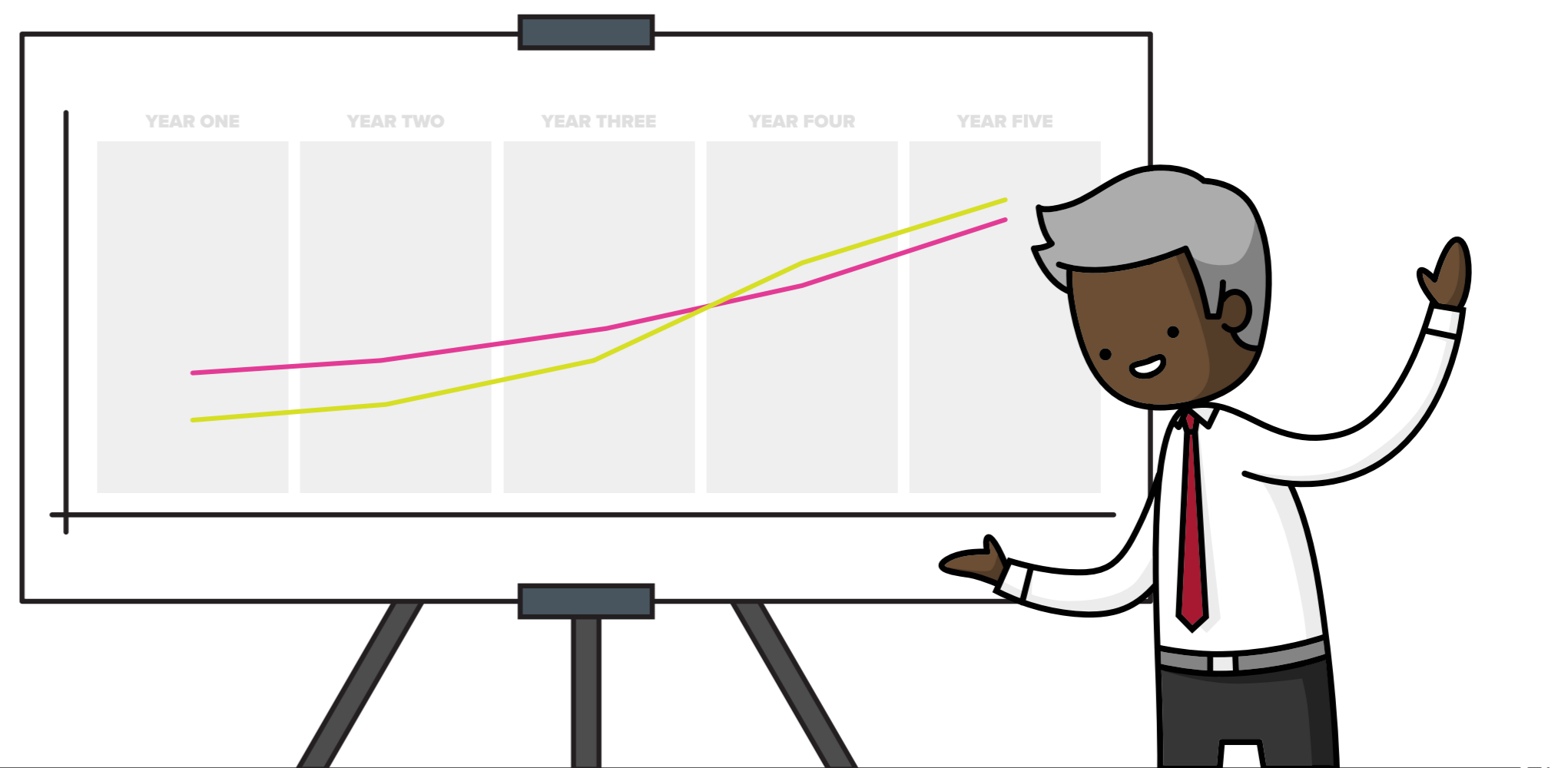
Benefits of a modern approach

Fortunately, buying an intranet today is generally less protracted and more predictable. First, with cloud enterprise technology, organizations are used to attributing and expecting annual benefits and costs. When you build an intranet now, you'll likely pay a monthly or annual fee for the underpinning capabilities, which ensures they'll continue evolving and provide greater value. Second, the initial cost and disruption of an intranet is simply smaller now. For many organizations, the project may fall under the threshold of capital cost.

Communicators should consider this as great news. Because of the cloud, more and more IT organizations (and their business counterparts) are accustomed to accepting and adopting constant change. Most cloud solutions are updated on an ongoing basis. The net result of this is a constantly evolving and improving set of features, tools and capabilities.

For cost modelling, you may still need to project costs and benefits over the course of multiple years, but you should also expect to gain an ongoing benefit of updates and upgrades.

Intranet benefits

Measurable project drivers that will help you show immediate value.

Intranet benefits often fall into two categories:

1 **Surplus** – It helps your organization make more money.

2 **Savings** – It helps reduce organizational costs.

One of a business case's most creative and artistic aspects is knowing how far to extrapolate the value chain to stakeholders. A value chain connects the capability you're purchasing to something measurable that ladders up to an organizational goal.

An example of a value chain:

Organizational goal
Reduced attrition

↑

Measurement
Employee engagement surveys improve

↑

Capability
Better content personalization and
audience targeting

Why is this important?

Let's say your organization is experiencing unprecedented attrition. They might be considering many interventions – from increasing salaries to improving engagement. If your business case states that your new intranet will reduce attrition by 20 percent, your financial stakeholders will likely ask for proof.

As a business case owner, you should be prepared to extrapolate on the data. Here are a few ways you could approach it:

- Share employee survey data that shows employees are not feeling connected to the purpose of the organization (something that's measurable).

- Point to the tools on a new intranet that will help people feel connected, like customized messages, social sharing and improved connection to leadership.

- Show the connection between purposeful work and turnover.

But business cases are not one size fits all. Before you get too mired in the numbers, first figure out how deep you need to go. Depending on your organization, you may only need to present high-level areas of value. In an organization focused on improving employee engagement, an intranet project may rank at the top of the list and not require overt justification.

Common intranet value areas

Many communicators tell us the following intranet benefits are the most important project drivers for their CEOs and executive teams. They're ranked in order of most critical business outcomes followed by most likely to show immediate value:

Reduced attrition

Improved employee productivity
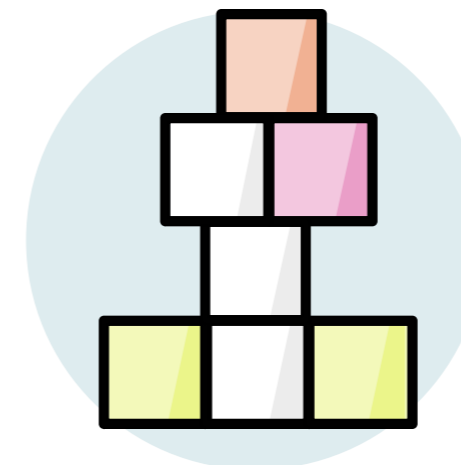
Improved employee onboarding

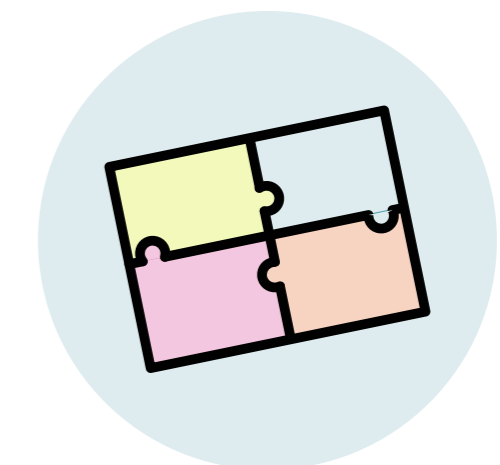Broader and improved employee engagement

Decreased costs

Decreased risk

Improved collaboration

Stronger connection to purpose, the organization and each other

Reduced attrition

Reducing turnover can produce major cost savings for organizations. Intranets can make a positive contribution to the employee experience and reduce some of the common reasons that cause employees to leave the organization.

Areas to look for data and insights may include:

🔍 Employee survey feedback about connection, orientation to purpose, connection to leadership, and likelihood of recommending the organization as a great place to work

🔍 Exit interview notes and feedback from employees leaving the organization

🔍 Employee feedback that indicates they don't have the proper tools to do their job or an inability to get their job done

🔍 Communication-specific apps

🔍 Trend lines for attrition – look at departments or tenures for patterns like higher attrition in field workers vs. office workers, or people leaving within their first year of work with the company

You can evaluate the evidence in each of the areas and create a compelling case for an intranet to improve employee experience.

Improved employee productivity

While employee productivity is a result of many factors, there is no doubt that a well-designed intranet can be a significant boost to productivity. This is especially the case if your intranet will host knowledge bases or service delivery resources.

As a business case builder, you may want to factor in:

• Reduced effort to find content

• Reduced effort to find knowledge expertise

• Improved performance in onboarding or job transition

• Reduced rework or duplication effort

• Improved collaboration outcomes

By using salary averages from providers such as Indeed and GlassDoor and projecting conservative benefits – even saving ten minutes per day – you may be surprised how quickly small gains add up.

You can find statistics on productivity gains achieved through better digital workplace tools in many online guides. Look to sources like Forrester's Total Economic Impact for well-researched and referenced data.

Estimate your savings with this formula:

	Salary data
✕	Employees impacted
✕	Estimated productivity gains
	Estimated savings

Improved employee onboarding

Poor employee onboarding is not only an attribute of attrition, it also has other negative side effects. For example, employees who have a poor onboarding experience are:

• Less likely to recommend their organization as a great place to work

• Less likely to contribute discretionary time toward company goals

• Less productive and more costly to train

If onboarding is a common challenge in your organization, you should be looking at:

🔍 Operational productivity statistics

🔍 Onboarding survey results and employee feedback

🔍 Stories and examples of poor onboarding

To make the connection within your business case, you'll likely want to reference how intranets can accelerate onboarding learning, improve time-to-productivity and help new employees quickly feel connected to their peers and the organization.

Welcome to the team!

Broader and improved employee engagement

Many communicators consider their job as one that ultimately lends itself to improved employee engagement. While high engagement has many positive benefits, poor employee engagement can result in:

- Increased absenteeism

- Presenteeism

- Decreased personal and team productivity

- Increased attrition

- Decreased employee referrals and/or poor performance on job sites such as GlassDoor

- Increased customer service issues, poor product quality, errors and other negative production outcomes.

Intranets can have a major impact on how employees see, feel and connect to the organization and its people. Well-crafted stories driven by insightful analytics, broader reach through modernized experiences and improved targeting and personalization may all contribute to improved employee engagement.

As a business case owner, you'll likely need to mine employee survey data and other forms of feedback to find the stories and above challenges that are most troubling for your organization and then organize this data to support a change.

Decreased costs

Running an intranet, even an old one, will likely have many ongoing support costs. Old server infrastructure, outdated technology expertise and ongoing patches and upgrades are just some of the common costs that can greatly compound as your infrastructure ages.

Building an intranet in the cloud will likely reduce these costs. Cloud providers scale effort that was once contained within each IT department. In addition, cloud platforms are less likely to go out of date – support, updates, patches and enhancements are common inclusions in cloud-based licensing.

When looking at cost reduction, capture a current snapshot of:

- **Infrastructure** – Document the current costs you incur to keep it running.

- **Performance challenges** – Assess whether your current solution has aged in areas that are creating unnecessary costs. For example, your intranet may be poorly designed for modern use (e.g., difficult to access) or it may be slow or need significant support (for both authors and end-users).

- **Servicing costs** – If you're regularly upgrading your solution to a newer server or platform infrastructure, consider moving to a cloud solution to reduce or eliminate these upgrades. Also look for additional costs related to servicing your current solution, like backup, recovery, third-party hosting services or third-party support services.

- **Duplicate or redundant tools** – Determine if you can consolidate multiple services or tools.

- **Publishing tools** – Assess whether your current tools support fast, efficient authoring or if the process is slow and onerous.

Decreased risk

Decreasing risk is a major factor in intranet business cases today. It's lower on this list because it's not the reason you build an intranet, but it may be the catalyst for changing platforms or upgrading.

You might find a need to reduce risk around:

- Outdated and unsupported software and or platforms

- Outmoded security models

- Few, if any controls or reports for end-user or author behaviour

- Little to no data loss prevention controls

- Data residency and/or data regulatory compliance

- Complex and difficult-to-support content or security architectures

To bring financial insight to this area, ask stakeholders what it might cost if your current solution:

- Contributed to a security breach

- Created a significant data loss

- Caused significant downtime

In a business case, these areas are often referred to as cost avoidance and may be recorded separately in a business justification document.

Improved collaboration

Collaboration outcomes are not always top of mind to a communicator, but they may be important to a digital workplace stakeholder. This is a broad area to consider, and the term "collaboration" can mean different things to different people, so it's important to dive deeper and understand what is driving this need in your organization. It may be:

- A sense of low team productivity or over-reliance on weaker tools such as email
- Weaker signals of innovation in the organization, such as a lack of participation
- Fewer workplace collisions (unplanned conversations) due to less physical working time together
- Signs of overt silos – teams, departments and business units working alone

For collaboration outcomes, you may be looking to:

- Improve the pace and participation in innovation
- Reduce effort and time managing content
- Increase day-to-day connection and relatedness between teams, departments, and business divisions
- Gain greater visibility and "working out loud"
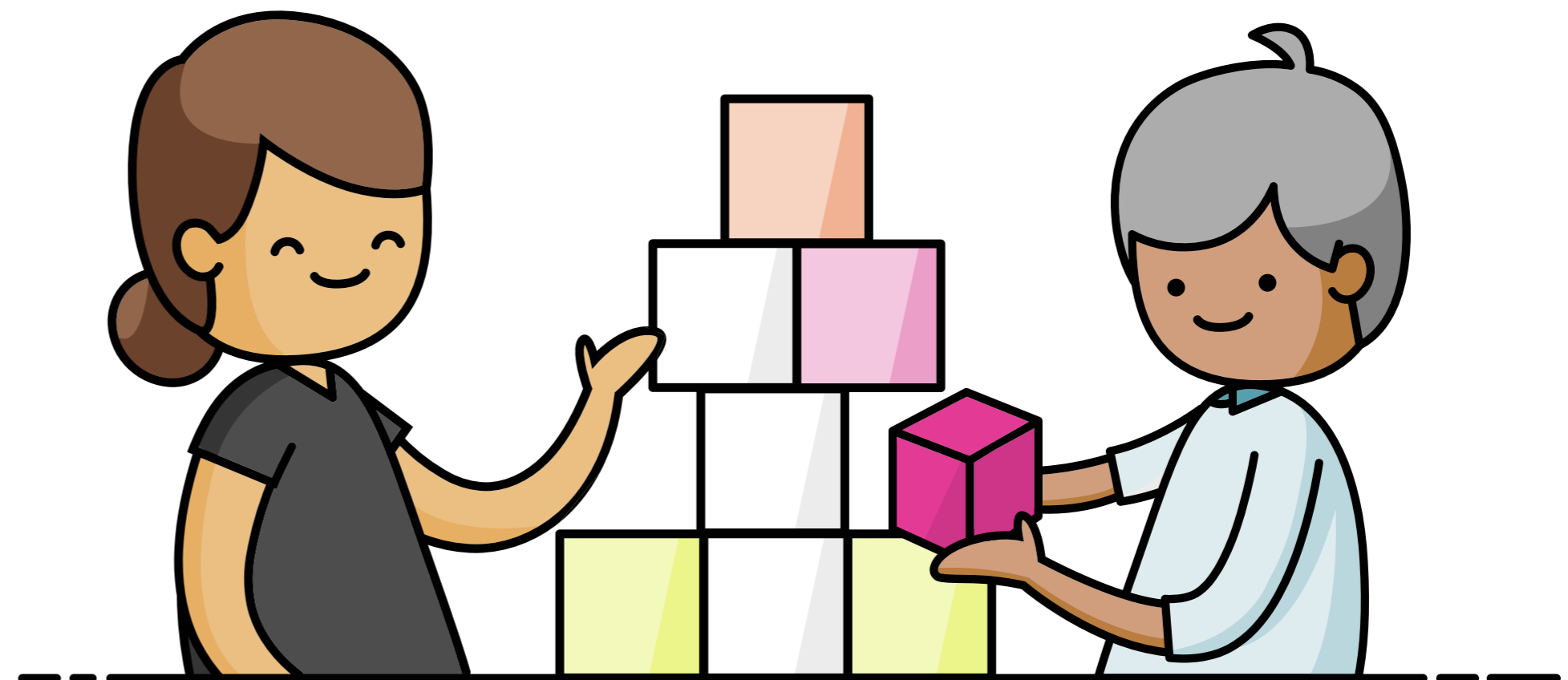
Stronger connection to purpose, the organization and each other

Finally, improving employee connection to the organization, its purpose and each other may be the top goal of intranet owners and communication stakeholders right now. Communicators share that much of this is a residual result of COVID and the aftermath of changes related to the way we work together.

Intranets have a long history of creating connections and a sense of belonging. When people feel they belong to something, they're more likely to commit and give more of themselves.

Intranets can also be a home for stories of purposeful work. Many communicators are looking for ways to help employees relate to the purpose or mission of the organization and help them understand that they, too, are contributing to the organization's performance.

If this goal is one you'll likely reference in your business case, you may also tap into the altruistic intent of some of your stakeholders. Many CEOs, executive teams (and by extension entire organizations) care deeply about their employees.

You may expect these stakeholders to desire:

- More employee referrals for new employees

- Recognition and awards, such as Great Place to Work

- High employee net promotor scores

- Other surveys or employee feedback related to a sense of belonging

Many communicators have justified an entire intranet project for the sole benefit of improving employee connection and belonging.
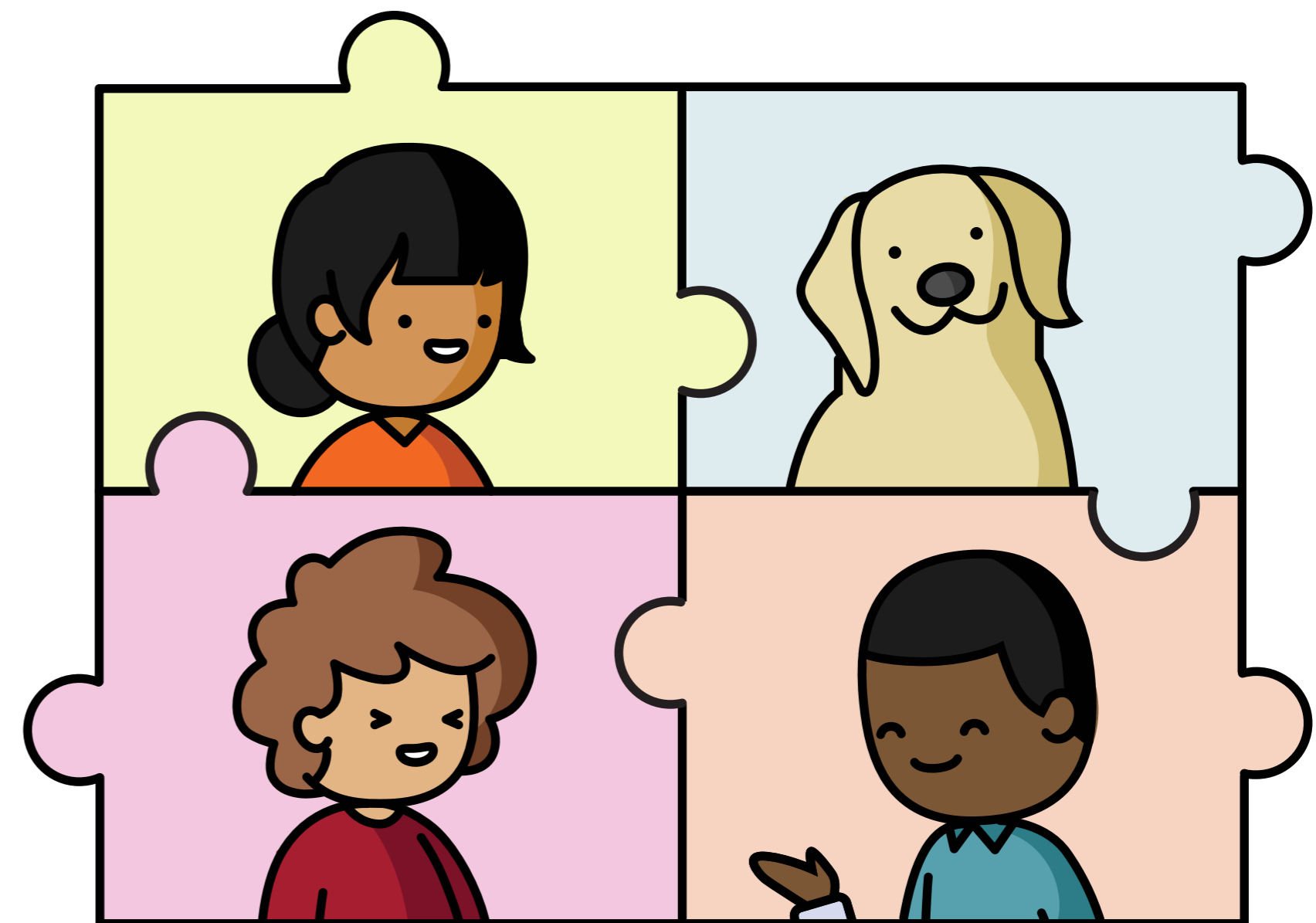
Representing benefits as a financial figure

You'll likely have an Excel spreadsheet tracking your benefits, costs and outcomes. In some organizations, specific cost/benefit templates may be required. One of the common questions about these spreadsheets is what number do I put in for my benefits? Do I make something up?

Future benefits are always a projection, not a factual value. In this sense, they're vulnerable to assumptions and perspectives. Here are a few ways to overcome this and represent values that are logical, defensible and internally supported:

Use research statistics

Use prior research that demonstrates correlation to strengthen your business case argument. Research and analyst organizations often report group statistics on organizational performance-enhancing initiatives.

FOR EXAMPLE

- Employees who feel they have the tools to do their job are three times less likely to leave an organization than those who don't.

- Employees who feel their job has a purpose are more likely to spend discretionary time on company problems.

There are many publicly available guides on the market that give you accurate correlation data, including Gartner, Forrester and Microsoft.

Ask executives how they would value the impact

Perhaps the most compelling argument can be made by asking executives to put a value on the impact. Executive interviews are not only a great way to understand your approval stakeholders and their unique needs, but can also be a source for values in your business case. Here are some questions you could ask:

- What do you think it would be worth if we could improve our company engagement scores by 10 percent?

- What would it be worth to you if, in a year, employees said they felt significantly more connected to the company and their colleagues?

Borrowing peer research

Reaching out to your peers and asking for samples or support may yield more than you would expect. You may be able to get solid intranet business case samples from:

- Intranet think-tanks

- Online forms and social channels

- Peer groups, such as IABC

Intranet costs

Software, implementation, migration, support and resource costs to factor into your project.

Intranet costs are the other side of the value equation. You'll still incur certain costs to both build and maintain your intranet. Some costs to consider include:
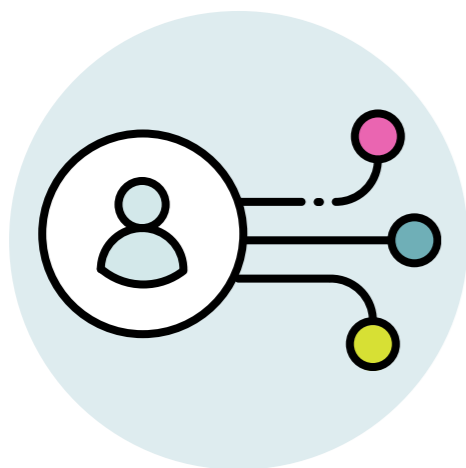
Software costs
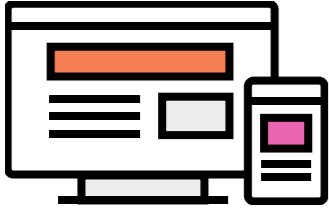
Implementation costs

Migration and content cleanup

Support

Internal roles

Software costs

Intranet software or annual licensing are the primary costs for an intranet. Pricing methods may vary from provider to provider, but they generally depend on the size of your organization, selected features and/or capabilities and different licensing types.

Moving your intranet to a platform with existing licensing (e.g., to SharePoint Online) may reduce your overhead and costs. You may also be able to use this as a lever in the approval process (e.g., "Look at how we can get more value out of our existing expenditures!")

But be aware that over-customizing an existing platform, such as SharePoint Online, can result in downstream costs for support and maintenance. Many companies try to find the middle ground on this. For example, if you build your intranet on SharePoint and decide to extend its capabilities with an intranet platform, you'll benefit from existing licensing for storage, content management and collaboration, while reducing your risk of long-term customization costs for key culture and communication features.
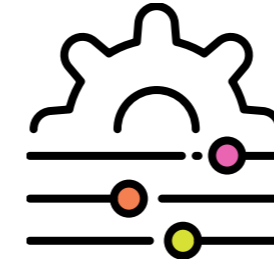
Implementation costs

Building a new intranet will come with common implementation costs, such as:

- Employee and stakeholder research
- User experience design and branding/visual design
- Information architecture
- Business analysis
- Configuration and/or custom development
- Integration, including licensing you may need for third-party integration

You'll need to determine which of the above will be done in-house and which will require external support. For a business case, your company may use salary bands or hourly rate schedules that are specifically designed for the purpose of creating work estimates. These costs typically include the fully loaded opportunity cost of employees, which is much more than salary.

Also consider that some of the implementation may be included with your vendor licensing. This is another reason it's ideal to have an idea of what your future architecture might look like while building a business case.

Migration and content cleanup

The costs of migration and content cleanup are a sub-set of implementation. You'll want to consider the cost of:

- Third-party migration tools

- Third-party service providers

- Custom development of migration scripts

- Internal resources required for manual migration and/or content cleanup
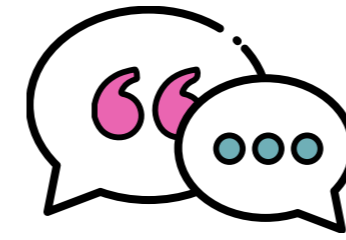
Support

No intranet will thrive without a healthy support framework. As part of the governance structure, you may require support in multiple places:

- Employee helpdesk

- Advanced solutions support (e.g., smaller business analysis/ configuration support)

- Authoring support

- Product or platform support

- Governance and/or oversight committees

For these costs, it may help to start with what you're currently spending (usually resource time/costs) and evaluate if you're likely to reduce or increase these costs based on your chosen solution. Some cloud products, for example, include author or administrator support in their annual licensing costs.
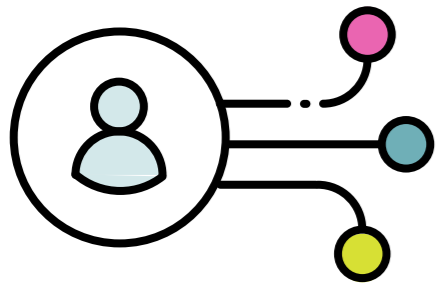
Internal roles

The final major intranet costs are for internal roles, which may include:

- Team members for an intranet build project (generally not an ongoing expense)

- Intranet manager(s)

- Team or authoring lead(s)

- Content authors and departmental SMEs/leads

- Roles required for the above support

In a business case, roles may be represented as a percentage of annual time (e.g., 25% of salary), or as a one-time expense (such as those required during the build aspects of an intranet project).
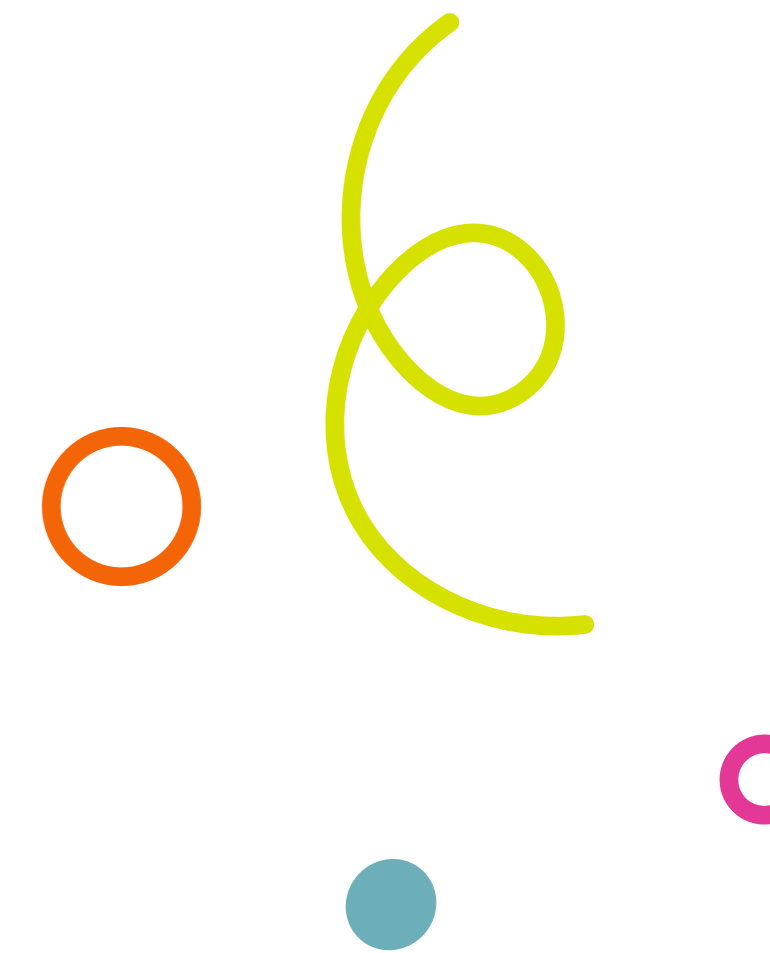
Build your business case

A step-by-step framework for building a business case that goes beyond costs and benefits.

1 **Understand current perspectives and desires**

To understand your organization's current needs, start documenting your own department's needs, the perspective of employees, and the requirements of other intranet stakeholders. You might consider:

- Challenges and goals commonly cited by executives of the organization

- Employee insights gained from surveys and other feedback mechanisms

- Intranet data usage

- Broader organizational performance data

Browse intranet reports, reviews and awards, such as the Nielsen Norman Intranet Design Annual and Step Two Design's Intranet and Digital Workplace Awards, to get inspired. You might also turn to intranet case studies, like the ones we publish about GO Intranet for modern SharePoint, to see examples of other intranets and learn how they were made.

Perhaps the biggest step of all is to start gathering empathetic insights from your organization. Workshops, interviews and observing people as they work can all be rich sources of information about how a new intranet could help your organization.

2 **Get clear about the benefits you intend to create**

Being clear about why you or your team think you need a new intranet will be a great entry point to stakeholder conversations. Ask yourself:

- What outcomes will be most valuable to the organization right now?

- What problems or opportunities are other people likely to be able to visibly notice?

- What do we want as a communications team?

Hold lightly to your conclusions, however, and be prepared to learn about the perspectives of other departments and stakeholders.

3 **Find the right business partners**

If you've completed a draft of your intranet intent, it might be the right time to engage business partners. If you're going to build the business case with HR, IT or other departments, you'll want to reach out to them early.

Consider how clear you need to be about your own outcomes before engaging business partners. Think about the goals they might have that could bridge your partnership and be prepared to talk about their concerns when you meet.

4 **Get to know your financial stakeholders**

Learn about the approval process in your organization and who, exactly, is part of each stage. In an ideal world, you would meet with all stakeholders and ask them:

- What they know about this initiative and its potential

- What they'd like to see or hear to prove this is an important investment

- If they're more interested in the stories from the organization or the data

- What kind of data they've seen in other business cases that feels trustworthy and actionable

5 **Gather the numbers and data**

The bulk of this guide is aimed at helping you on this one. Don't forget to document the source of your data insights.

6 **Layer in ethnographic research and qualitative insights**

Excel documents have never wooed anyone. Expand and build on your data with storytelling to paint a picture of the change you'd like to make. This may include:

- Stories "from the trenches"

- Comments from employee surveys and other employee listening sources

- Results from a specific survey or workshops on intranet efficacy

- The experience and vision shared by outside experts

- Case studies or stories from your peers about the potential impact of change

7   Share the business case

You're almost at the finish line! It's time to circle back to stakeholders and bring them on board. Instead of submitting your case and crossing your fingers, try to engage all parties in the way you think they'd want to be engaged. This may include:

- One-on-one conversations that ask for commitment from key resources

- Engagement and commitment from an executive sponsor

- A compelling presentation with statistics, data and quotes from employees

- Examples and images that show the art of the possible

- Visionary statements, pictures or tools, such as journey maps

- Formation of a working group to collectively support the initiative

Congratulations, you did it! We hope this guide has helped you build a compelling intranet business case to secure buy-in from your stakeholders and senior leaders. If you're planning an intranet project and would like to talk through the big questions, get in touch. We'd love to hear what you're working on.
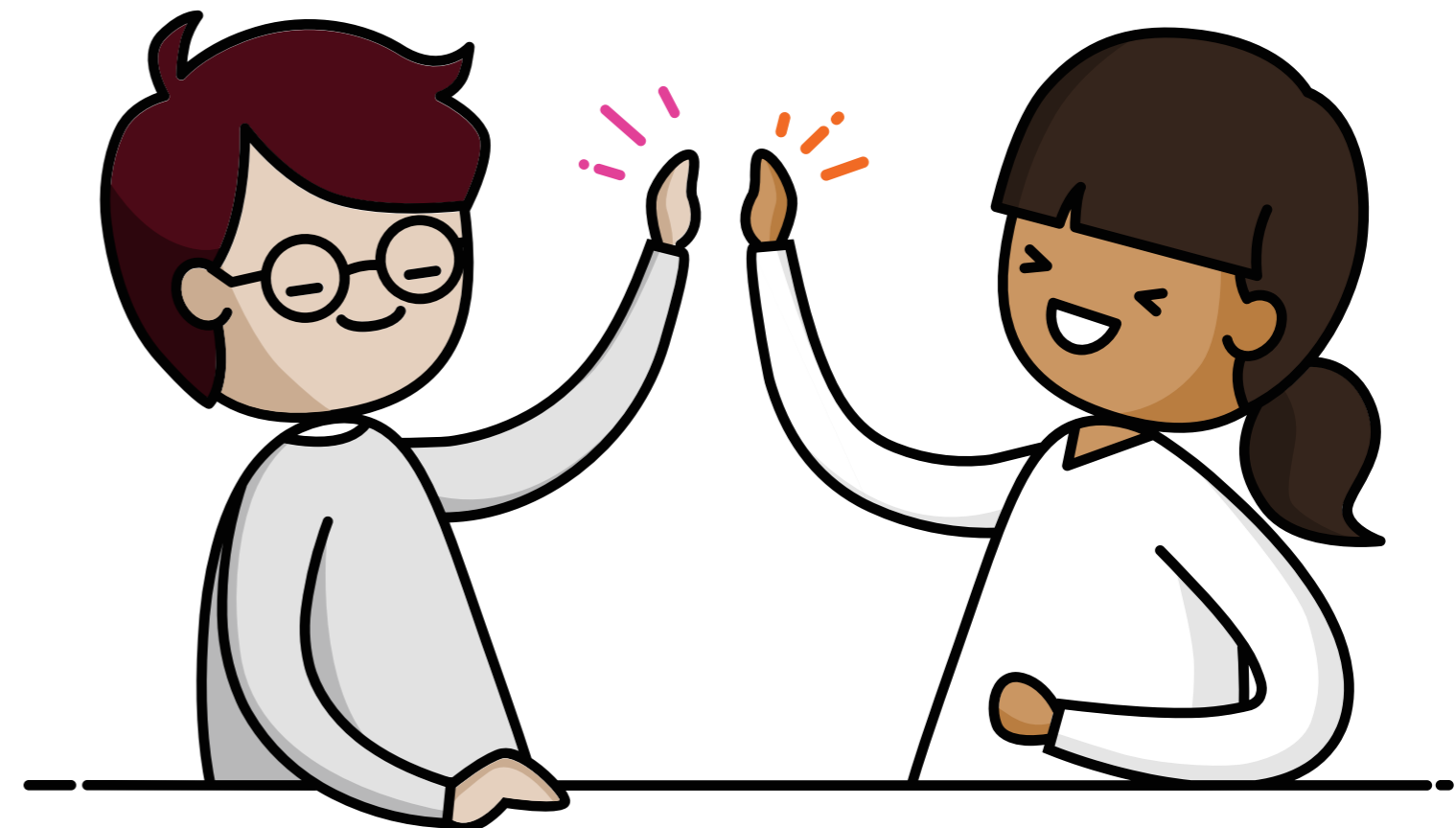
Get in touch

We have big ideas, but let's start with hello. If you have questions or want to learn more about how you can turn deep insight into action, let us know. We'd love to talk.

1-866-841-6201

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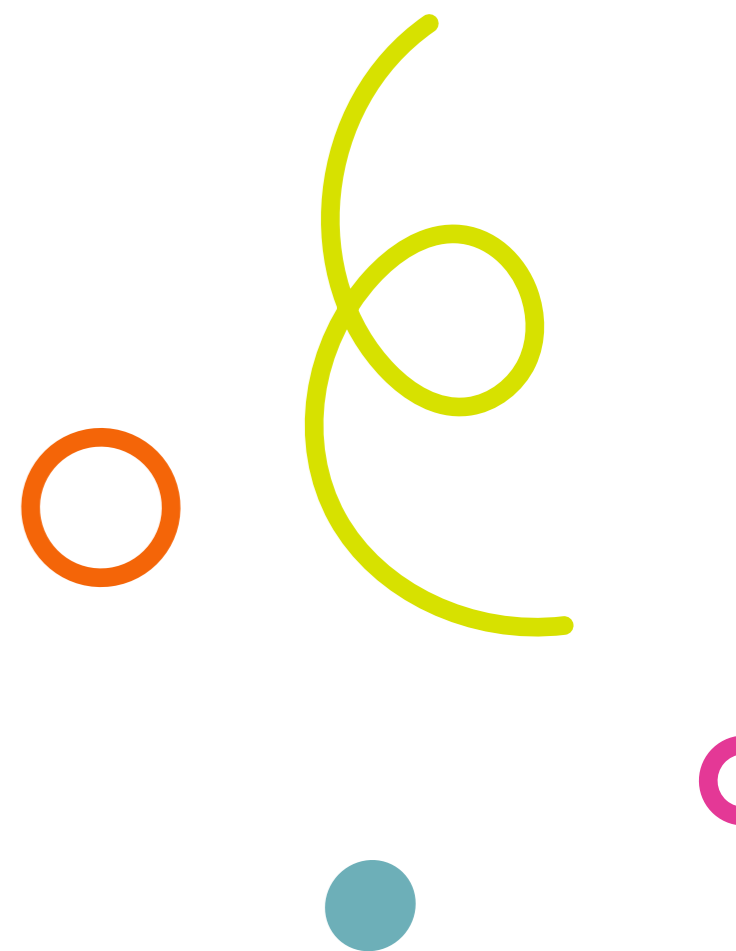**Let's get social!**

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